

# Teacher Lesson Plan

---

## Module 5: Filing Status

### Time Frame

One to two class periods

### Curriculum Area(s)

- Technology
- Civics/Government
- Family and Consumer Sciences
- History/Social Studies
- Economics

### Purpose

To help students understand that filing status affects tax rates and to help students choose the appropriate filing status for the taxpayer

### Objectives

Students will be able to

- list the five filing statuses.
- determine the best filing status for the taxpayer.

### Materials

#### *Online*

[Student Lesson—Filing Status](#)

[Tax Tutorial—Filing Status](#)

[Simulation 5—Identifying Filing Status and Dependents](#)

[Assessment—Filing Status](#)

[Assessment Solutions—Filing Status](#)

#### *Print (PDF)*

[Fact Sheet—Filing Status](#)

[Teacher Lesson Plan—Filing Status](#)

## Background

The **filing status** determines the rate at which income is taxed. There are five filing statuses:

- Single
- Married filing a joint return
- Married filing a separate return
- Head of household
- Qualifying widow(er) with dependent child

A taxpayer may be able to claim more than one filing status. Usually, the taxpayer will choose the filing status that results in the lowest tax.

## Key Terms

**filing status**—Determines the rate at which income is taxed. The five filing statuses are: single, married filing a joint return, married filing a separate return, head of household, and qualifying widow(er) with dependent child.

**Single filing status**—If on the last day of the year, you are unmarried or legally separated from your spouse under a divorce or separate maintenance decree and you do not qualify for another filing status.

**Married Filing Joint filing status**—You are married and both you and your spouse agree to file a joint return. (On a joint return, you report your combined income and deduct your combined allowable expenses.)

**Married Filing Separate filing status**—You must be married. This method may benefit you if you want to be responsible only for your own tax or if this method results in less tax than a joint return. If you and your spouse do not agree to file a joint return, you may have to use this filing status.

**Head of Household filing status**—You must meet the following requirements: 1. You are unmarried or considered unmarried on the last day of the year. 2. You paid more than half the cost of keeping up a home for the year. 3. A qualifying person lived with you in the home for more than half the year (except temporary absences, such as school). However, your dependent parent does not have to live with you.

**Qualifying Widow(er) filing status**—If your spouse died in 2007, you can use married filing jointly as your filing status for 2007 if you otherwise qualify to use that status. The year of death is the last year for which you can file jointly with your deceased spouse. You may be eligible to use qualifying widow(er) with dependent child as your filing status for two years following the year of death of your spouse. For example, if your spouse died in 2006, and you have not remarried, you may be able to use this filing status for 2007 and 2008. This filing status entitles you to use joint return tax rates and the highest standard deduction amount (if you do not itemize deductions). This status does not entitle you to file a joint return.

## Opening the Lesson

Hand out Fact Sheet—Filing Status. Use the following question to prompt students to share their knowledge of filing status:

- Why must taxpayers identify themselves as single or married on the tax return?  
**Tax rates differ, depending on what filing status the taxpayer chooses. For example, single taxpayers pay tax at higher rates than do married taxpayers who file joint returns.**

Explain that this lesson focuses on the five filing statuses that taxpayers can choose.

Note: For students who may want to work independently on this module, refer them to Student Lesson—Filing Status

## Developing the Lesson

Direct students to Tax Tutorial—Filing Status, and explain that this tax tutorial focuses on filing statuses. Tell students that they will learn how different filing statuses affect the tax liability. Also, they will learn how to choose the appropriate filing status for the taxpayer's circumstances. Inform students that taxpayers may be eligible to claim more than one filing status. Usually, the taxpayer will use the filing status that results in the lowest tax.

### Online Activity

Direct students to Simulation 5—Identifying Filing Status and Dependents. Explain to students that they will answer a series of questions to determine the filing status for Joshua Bell. Students will see how the information they provide is used to complete the filing status and exemption section of the income tax return for Joshua Bell.

## Concluding the Lesson

After students have completed Tax Tutorial—Filing Status and Simulation 5—Identifying Filing Status and Dependents, ask whether they have questions about filing status. To ensure that they understand the material, ask the following questions:

- List the five filing statuses.  
**single, married filing a joint return, married filing a separate return, head of household, and qualifying widow(er) with dependent child**
- Which taxpayers pay income tax at the highest rates and the lowest rates?  
**The highest tax rates apply to taxpayers who use the married filing separate returns filing status. The lowest tax rates apply to taxpayers who use either the married filing a joint return or qualified widow(er) with dependent child filing status.**

### Assessment

As a final review, summarize the major lesson points. Remind students that the filing status determines the tax rates. Tell them that taxpayers who are eligible to claim more than one filing status usually choose the filing status with the lowest tax rates. When students are comfortable with the material, have them complete Assessment—Filing Status.

# Assessment

## Module 5: Filing Status

### Part 1

List the filing statuses in order from lowest tax rates to highest tax rates by typing the number in the space provided. Use 1 for the lowest tax rate and 4 for the highest tax rate. To assess your answers, click the *Check My Answers* button at the bottom of the page.

|   |   |
|---|---|
| Head of household   | 2 |
| Married filing a separate return  | 4 |
| Either married filing a joint return or qualifying widow(er) with dependent child | 1 |
| Single  | 3 |

### Part 2

Match the people described below to their filing status by choosing the correct status from the drop-down menu. To assess your answers, click the *Check My Answers* button at the bottom of the page.

|   |                                  |
|---|----------------------------------|
| Lillian has never been married, lives alone, and has paid all the expenses of keeping up a home for herself and no one else. What is Lillian's filing status?   | Single                           |
| In August of the tax year, Marta moved out of the apartment she shared with her husband. Marta and her husband are not divorced or legally separated. They have no children or other dependents. Since August, Marta has paid all the expenses of keeping up a home for herself, and she did not provide support or housing to anyone else. | Married filing a separate return |

**Marta refuses to file a joint return with her husband. Which filing status should Marta use?**

**Adam's wife died this year. He has not remarried. Adam provides all of the support for his two dependent children. What is Adam's filing status?**

*Married filing a joint return*